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Cap. 2

An ADMINISTRATIVE MANAGEMENT MEETING

APRIL 8-11
1963

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DIVISION OF MANAGEMENT OPERATIONS
FEDERAL EXTENSION SERVICE
U.S. DEPARTMENT OF AGRICULTURE

INTRODUCTION

At the January 1957 meeting of the Extension Committee on Organization and Policy, a recommendation was made that one training meeting be held each year for State Extension administrative management personnel. It was recommended that these meetings be held in a different region each year but that administrative management personnel from all States be invited to attend. On the basis of the established rotation plan, the meeting for 1963 was held in the Southern Region.

At the request of the Southern State Directors, the 1963 meeting was held at the National 4-H Club Center, Washington, D. C., during the period April 8-11, 1963. Meetings in subsequent years will be as follows: North Central Region, 1964; Northeast Region, 1965; and Western Region, 1966.

Subjects covered at these annual meetings include fiscal, budget, personnel, and related phases of administrative management in Cooperative Extension work. For the information of Extension directors and administrative personnel in all of the States, a report has been prepared including key presentations of participants in the April 1963 meeting.

ADMINISTRATIVE MANAGEMENT MEETING
COOPERATIVE EXTENSION SERVICE

4-H CLUB CENTER
7100 Connecticut Avenue, N. W.
Washington 15, D. C.

April 8-11, 1963

Sessions will be of a seminar type to provide for exchange of ideas, viewpoints, and information between State and FES personnel.

Monday - April 8

	CHAIRMAN.....	Luke M. Schruben Assistant Administrator, FES
10:00 a.m.	General Comments.....	Jos. P. Flannery, Director Division of Management Operations, FES
10:15	Welcome.....	Lloyd H. Davis Acting Administrator, FES
10:30	Management in the Department of Agriculture.....	John C. Cooper, Jr., Director Office of Management Appraisal and Systems Development
11:30	Group Picture.....	All Participants
12:00 Noon	LUNCH	
	CHAIRMAN.....	G. J. Ruschell, Associate Business Manager, Kentucky
1:00 p.m.	A Concept of a Total Personnel Program.....	William E. Lavery, Specialist Personnel Management Branch FES
2:00	Decentralization of Fiscal and Personnel Functions.....	Luke M. Schruben
2:30	Developments Relating to Project Agreements, Budgets, Plans of Work, and Financial Reporting.....	Ralph E. Groening, Assistant Director, Division of Management Operations, FES Mary Y. Rock, Chief Coöperative Funds Branch, FES

Tuesday - April 9

CHAIRMAN.....Gerald Y. Duke, Assistant
Director for Management
Georgia

8:30 a.m. Reporting to Top Management.....Henry Herrell, Deputy
Administrator, Management
Agricultural Marketing
Service, USDA

9:30 Development of Extension
Handbooks and Manuals.....John H. Gant, Management
Analyst, FES
D. M. Thorne, Assistant
Director, Tennessee
P. W. Mason, Executive
Assistant, Arkansas

11:00 Internal Audit; Use of
GSA Facilities.....Luke M. Schruben

12:00 Noon LUNCH

CHAIRMAN.....D. C. Pfannstiel, Assistant
Director, Texas

1:00 p.m. Physical Working Facilities -
Light, Color, Sound, Un-
grading of Equipment, etc.....Mackey W. White, Assistant
Director, Office of Plant &
Operations, USDA

2:00 Responsibilities of State
Administrative Committees.....Jos. P. Flannery
Mackey W. White

3:00 Administration of Federal
Employment Status of Coopera-
tive Extension Employees.....John B. Speidel, Chief
Personnel Management Branch
FES
Harold E. Briggs, Head
Cooperative Personnel Section
Personnel Management Branch
FES

DINNER - 6:30 p.m., Tuesday, April 9, Naval Gun Factory Officer's
Club
11th & O Streets, S.E.
Washington, D. C.

Wednesday - April 10

8:30 a.m. TWO SEPARATE SESSIONS:

1. Special Session on Fiscal Management

CHAIRMAN.....Ralph E. Groening

a. Developments in Extension
and University Accounting

Systems.....Edward G. Ballute, Chief
Budget & Accounting Branch
FES
Frank C. Taylor, Assistant
Director, Colorado
Robert L. Walsh, College
Business Office, New York

b. Accounting for Sales
of Publications.....

Edward G. Ballute
Conrad H. Liden, Administrative
Assistant, Maryland
Ward Blocker, Assistant to
Director, Oklahoma

2. Special Session on Personnel Management

CHAIRMAN.....John B. Speidel

*Job Descriptions and

Performance Appraisal.....William E. Lavery

12:00 Noon LUNCH

CHAIRMAN.....William M. Garmon, Administra-
tive Management Assistant
North Carolina

1:00 p.m. Pre-retirement Counseling

Programs.....Dr. Lee K. Buchanan, Chief
Health, Safety & Welfare
Division, USDA

- * There will be no formal presentations but general discussion for all participants on problems involved in development and installation of job descriptions in performance appraisal programs. Several State representatives have active programs in these fields.

Wednesday - April 10 (continued)

2:00 Panel on State Experience in
Office Management & Secre-
tarial Training.....Jos. P. Flannery
J. E. Knight, Assistant
Director, Louisiana
P. H. DeHart, Associate
Director, Virginia
C. N. Scheneman, Assistant
Director, Missouri
Celeste A. R. Benitez,
Administrative Officer
Puerto Rico

Thursday - April 11

FES CONFERENCE ROOM 6026, SOUTH BUILDING
U.S.D.A.

CHAIRMAN.....Jos. P. Flannery

9:00 a.m. Penalty Mail.....Van O. Milton, Records
and Security Officer, FES

10:00 Distribution of
Publications.....William H. Michaelis, Head
Distribution Section
Administrative Services
Branch, FES

Consultations with FES and other State representatives
on individual problems.

STATE PARTICIPANTS - ADMINISTRATIVE MANAGEMENT MEETING

ALABAMA - H. Earle Williams, Head, Management Service

ALASKA - Mrs. Lois Phipps, Administrative Assistant

ARKANSAS -Darrell Walters, Administrative Assistant
Albert Squires, Administrative Assistant

COLORADO -Frank C. Taylor, Assistant Director

GEORGIA - Gerald Y. Duke, Assistant Director for Management

ILLINOIS -H. W. Bean, Assistant Director
David Gillespie, Chief Accountant

KENTUCKY -G. J. Ruschell, Associate Business Manager
Joe Revo, Accountant

LOUISIANA - J. E. Knight, Assistant Director for State Office Operations
Donald H. Spurlock, Assistant State Agent for Finances &
Personnel Management

MARYLAND -Conrad H. Liden, Administrative Assistant

MICHIGAN -Floyd R. Fladseth, Extension Budget Assistant

MISSISSIPPI - Kenneth H. Martin, Associate Extension Accountant

MISSOURI -Carl N. Scheneman, Assistant Director
Miss Mae Castle, Chief Accountant, University Business Office

NEW HAMPSHIRE - Mrs. Cora G. French, Administrative Assistant

NEW JERSEY - Arley M. Hovland, Assistant Director
Theodore Strawinski, Business Manager, College of Agriculture
Mrs. Evelyn B. Mullen, Financial Officer
Miss Stella Sahonchik, Financial Officer

NEW YORK -Robert L. Walsh, Director of Finance, College Business Office
Miss Ethel Olson, Extension Secretary
Miss Mildred Scudder, Administrative Aide

NORTH CAROLINA - William M. Garmon, Administrative Management Assistant

OHIO - J. L. Amsbaugh, Secretary and Leader of Business Operations
Arnold Caune, Leader of Financial Analysis

OKLAHOMA - Ward Blocker, Assistant to Director

PENNSYLVANIA - Samuel I. Auker, Administrative Assistant to Dean,
College of Agriculture
Robert H. Lauck, Assistant in Accounting and Personnel

PUERTO RICO - Mrs. Celeste A. R. Benitez, Administrative Officer
Mrs. Norma Menendez, Personnel Officer
Angel Espinosa, Finance Officer

RHODE ISLAND - Miss Mary B. Whaley, Secretary to the Associate Director

SOUTH CAROLINA - George H. Bonnette, Administrative Assistant

TENNESSEE - D. M. Thorpe, Assistant Director
James L. Anderson, Budget Officer, College of Agriculture

TEXAS - D. C. Pfannstiel, Assistant Director
C. H. Doerge, Executive Assistant

VERMONT - Miss Elizabeth Downer, Administrative Assistant

VIRGINIA - P. H. DeHart, Associate Director
G. W. Slusser, Accountant

WASHINGTON - John P. Miller, Assistant Director
Walter E. Zuger, Finance Officer

MANAGEMENT IN THE DEPARTMENT OF AGRICULTURE

John C. Cooper, Jr., Director
Office of Management Appraisal
and Systems Development, U. S. D. A.
April 8, 1963

After I got the call on Friday to substitute for Administrative Assistant Secretary Robertson, I jotted down some of the things that we have been doing in the Department -- some of the things that may be of interest to you. I thought it would be well to focus attention on a few of the items which might be beneficial to you in your management work in the Department.

Let's go back to President Kennedy's State of the Union message, in which he pledged himself and the members of the Cabinet to "continuous encouragement of initiative, responsibility, and energy in serving the public interest." This interest has been augmented in later actions by the President. Secretary Freeman heartily endorses this program and has pledged the complete support of the Department to put these objectives into effect to improve our total management effort.

Let's discuss -- briefly -- and in chronological order some of the steps that have been taken by the Secretary of Agriculture to improve management in the Department.

CONSOLIDATION OF MANAGEMENT SUPPORT

In April of 1961, one of the first reorganizations in the Department was the establishment of the Statistical Reporting Service and the Economic Research Service. Individuals in these agencies were pulled from other operating organizations in the Department. With the establishment of these two agencies, there was an innovation -- a concept that has marked a number of the actions taken by Secretary Freeman since he came into office. The management concept was that, in setting up two services, there need not be completely separate administrative support or administrative services units in each of these services. The consolidation of management services and support -- based on an idea new to the Department -- was effected for these two agencies by the establishment of the Management Operations Staff. This, I think, represented an innovation in the Federal Government -- certainly in the Department.

MODE PROJECT

In July 1961 Secretary Freeman, as a result of his experience in the State of Minnesota, asked that a group of us start doing some thinking about how we could more effectively use data processing equipment. We came up with a study that was presented to the Secretary. I would like to go through this very briefly because it does represent a major undertaking and another innovation. This project was developed on a co-operative basis, completely within the Department of Agriculture, by hand-picked individuals including some members of the FES staff. We have called this the MODE project -- the Management of Objectives with Dollars through Employees. This is one of the major efforts in the Department to achieve economies and to establish new systems and procedures utilizing data processing equipment.

Why did we get into this? I feel sure it could have come from the first budget discussion with the Secretary after he came into office. As you know, the budget for 1962 had been submitted by the previous administration. One of the first jobs of the Secretary was to justify his budget before a Congressional committee. It came as a bit of a surprise to the Secretary that in the Department of Agriculture there were 87 payroll offices and 130 local personnel offices scattered throughout the United States -- paying employees and processing personnel actions. The Secretary asked what could be done about this, and the study came as a result of his request to Administrative Assistant Secretary Robertson.

The study group focused on what could be done in terms of developing a system to utilize Department-owned facilities and talent in the Department to accomplish some of these objectives.

METHOD OF STUDY

These were the basic assumptions on which the system was presented to the Secretary:

1. Departmental Approval
2. Agency Participation
3. New Systems Concept
4. Integrated System
5. Maximum Utilization of Men, Money, Materials

We studied the possibility of merging most of the payroll, personnel, retirement, and other data going into this system so that we could develop an integrated system which could use each individual bit of

information in a multitude of ways. We restricted our study to the use of facilities within the Department. We had only one Department-owned computer at that time, and that was in New Orleans.

From the initiation of the study in 1961 -- going all the way through our studies, our planning, our programming, and the development of the system, the development of handbooks, conversion schedule, and payroll handbooks -- this has been a 100 percent cooperative effort with excellent cooperation and participation from every agency in the Department. Our Office has provided the leadership and the coordination, but much of the technical assistance has come from the agencies -- the Extension Service and other agencies in the Department.

THE MODE SYSTEM

Our system is a centralized payroll and related personnel and accounting operation, plus two significant management applications. Very briefly, the five applications are:

1. The most important, to you and me and others, is PADA (Payroll Automation for the Department of Agriculture). This is the application that prepares the payroll and assures each individual his payroll check on the date due.
2. The ADAM (Agriculture Department Automated Manpower) application handles all personnel statistics -- the 113 reports, the retirement records, and other specific reports pertaining to personnel activities.
3. The FAME application (Financial Analysis of Management Effectiveness) provides accounting station posting media and other data on personnel costs -- necessary for individual offices to maintain their budget and accounting records.
4. The fourth application is MOHR (Management of Human Resources). I tried to emphasize initially how important people are to the Department of Agriculture. The MOHR application is a personnel resource type of application in which we will store in the computer tapes information about the people in the Department. This will provide at one place, for the first time in the history of the Department, complete information on personnel, such as, what the individual wants to do, things about his job, and things about the person -- what he has done, his background, training and education. It will be one of the principal sources of information for managers and supervisors to assist in achieving effective utilization of personnel in the Department.

5. The fifth application is GAME (Gaming Analysis of Management Effectiveness). This application will require extensive development. This looks forward to the introduction of all financial data into the system -- in addition to the payroll data from the payroll application -- including travel, communications, and various other expenses involved in program operations. It will also include the introduction of work measurement, workload, productivity measures, and other types of data to measure program accomplishment of activities in the Department.

The Soil Conservation Service, over a period of years, has developed an excellent system of time and progress reporting. Each individual reports the projects on which he is working, broken down by various segments established by the Soil Conservation Service. Every two weeks the individual prepares a report of accomplishment -- the number of linear feet, for example, of tile work, or number of acres of terracing. When these reports are put together, in those instances where there are measurable units of accomplishment, they make an effective management tool. This is basically the type of system we will be working out with agency people, personnel officers, time and attendance clerks, accounting officers, staff officers, managers, and others.

We have, of course, worked closely with other Government agencies and people in private industry. We have received cooperation on reports that we must furnish the Labor Department. The Treasury, a very important cog in the wheel because of its preparation of the payroll operations (the checks), is accepting magnetic tapes from us. Of course the Post Office Department is heavily involved in the movement of about 150,000 documents every two weeks. The General Service Administration, in terms of forms development and various procedures under its jurisdiction, the General Accounting Office, and the Budget Bureau have all given their cooperation.

We have had to go through numerous steps in MODE -- the staff work, the development of logic, codes, procedures, handbooks, programs, tests, and training. When it began back in July of 1961, it involved selecting the project leaders and the study group. It was also discussed with Congress, the Budget Bureau and the Civil Service Commission. At this time, all of the logic work has been completed, and we are just wrapping up some of the programming. We are beginning to test our mailing and are ready to start to move in what we call "complete compatibility testing." We started out with the idea that there would be some 35 individual computer programs. We are now up to 97, and I would not be surprised if before this is over we have well over 100 programs.

What is this going to accomplish? The anticipated benefits were outlined in the report to the Secretary on the proposed MODE system. (We have sent copies of the detailed MODE report on the entire system to many land-grant

colleges and universities in the United States. We have sent out over 3,000 copies in response to specific requests.) Some of these benefits are as follows: We contemplate, for example, that the number of internal revenue tax forms will be reduced from 350 to 4; State tax returns will be reduced from 2,100 to 125. Bear in mind that this is the result of the elimination of 87 payroll offices -- we will have only one payroll office. There will be a reduction in the number of SF-2812's -- the biweekly report on withholdings and contributions -- from 2,262 to 52; also, the quarterly report on Federal employment and wages will drop from 2,000 to 200 annually; and reports related to internal transfers with the Department -- the W-4's and numerous other documents will be completely eliminated.

Congress, both House and Senate, asked what was to be done with the savings. The reductions in cost are estimated to be \$1.3 million. We are going to spend approximately the same amount to develop this system.

I think it is generally recognized, and we have been so informed by several outside groups that have gone to New Orleans to review the system, that it's the most technically difficult, most complicated system in this area of work that has ever been attempted by any Government department. One man says that it strongly resembles the complications of some of the systems that he has worked on in the more scientific type of applications such as those in NASA and other Government agencies.

In the budget this year, agencies in the Department have shown, for the 1964 budget, a reduction in costs of approximately 1.3 million. This will have the effect of reducing the total man-years devoted to this work by some 240 man-years.

That, briefly, is where we are today in the MODE project. Presently we have consolidated (in New Orleans) the payroll of some 8,000 employees. We hope to start putting some of these on the computer in the next 60 days. Our present schedule indicates that we will try to get the PADA and the ADAM operations, and perhaps part of FAME on the air by December of this calendar year.

MANAGEMENT IMPROVEMENT PROJECTS

The next step was the development of an inventory of management improvement projects. This came about, as I mentioned initially, at the request of the President. As a result of the Secretary's request to agency heads in the Department, 484 management improvement projects were specifically identified.

OMASD

In December of 1961, the Office of Management Appraisal and Systems Development, was established. Two responsibilities assigned to this office will be of particular interest to you--

1. Computer Coordination

The responsibilities for coordination and general direction of all computer operations in the Department were assigned to this office. For the first time provision has been made for overall Department surveillance, general direction and coordination of computer activities. Last week we completed an inventory of our computer operations in the Department, and it may surprise some of you to know that we are presently spending some 11 million dollars on electric accounting machines and computer operations.

2. Self Appraisals

Another idea that Secretary Freeman and Administrative Assistant Secretary Robertson are emphasizing is the "self-survey appraisal." Department leadership was assigned to the Office of Management Appraisal and Systems Development. To date we have conducted a number of these management appraisals. Normally, the appraisal or management survey is requested by the agency head or by the Secretary or an official of the Department; or it may be developed in cooperation with an agency. Let me cite two examples: The Federal Crop Insurance Corporation, by action of its Board of Directors, requested that a complete appraisal be made of all Federal Crop Insurance operations. We selected the individuals needed to do the appraisal. As a result of the recommendations included in this management appraisal report, the office in Chicago was moved to Kansas City. In Kansas City, FCIC occupies a building where a large computer was available. We initiated operations for programming and systems work. The results to date represent savings in crop insurance operations of between 40 and 60 man-years and approximately 250,000 in terms of dollars. This is just a beginning as far as crop insurance is concerned, because new applications are developing every day as a result of this move.

DEPARTMENT MAILING LISTS

We have completed an appraisal of the mailing lists in the Department, and it has been approved by the Secretary. It may surprise you to learn that there are over 1,800 individual mailing lists maintained by agencies in Washington. We have bought an additional piece of equipment, scheduled for delivery in June, and are developing an ADP program which will put all these mailing lists on a computer. We have no idea how many individuals appear on how many mailing lists. We know that the proposed system is going to provide an opportunity for cross-referencing names on the various lists. The identification, the yearly follow-up, and all other operations will be completely automated.

Incidentally, we have just submitted to the Secretary a complete management appraisal survey of the Office of Information.

OFFICE OF INSPECTOR GENERAL

In June of 1962, the Office of the Inspector General was established. Subsequently, all internal audit and investigation activities in the Department have been consolidated in this office. This is one of the most significant organizational changes in the Department. I am sure the impact of this change will be discussed in more detail during your conference.

COMPUTER CENTERS

In July 1962, the Secretary established three Department computer centers. The possibility and need for a fourth or fifth center are under study. One of these computer centers is located in New Orleans and is operated by the Agricultural Stabilization and Conservation Service. The second one is in Washington, D. C., under the direction of the Statistical Reporting Service. The third is in Kansas City, under the direction of the Agricultural Stabilization and Conservation Service. The fourth is projected under the jurisdiction of Forest Service on the West Coast. At the present time, we do not know what the total requirements for computer services on the West Coast will be -- but there will be at least one computer site.

MANAGEMENT IMPROVEMENT PROJECT SYSTEM

I mentioned that in October 1962, the Secretary established the Management Improvement Project System. A document on the System is available to anyone who would like to have a copy. This is a Department-wide procedure for the identification, follow-up, and reporting on our management improvement projects.

I mentioned earlier that we have 484 projects that were identified as a result of the Secretary's request. All of these projects have been converted to the new System. To date, 141 of the 484 projects have been completed; 133 have been combined; and 210 were current projects. Since initiation of the project system, 64 more have been brought in and 13 have been completed -- with 261 presently included in the project system. From the 154 completed projects, many benefits have resulted -- benefits to program operations, benefits in reducing paperwork, and benefits of the kind we generally identify as being intangible but which have a very real beneficial effect on program operations.

These projects fall into a number of different categories: to improve service, program operations, systems management, work management, personnel management, organizational structure, communications management, financial management, procurement of property, and supply management. We use these reports in preparing information to the Secretary, the Budget Bureau, Congress, and to provide publicity, I hope, for you.

REPORTS OF ACCOMPLISHMENT

We have issued two reports to date. One of these, Accomplishments of USDA, is on improved administration during the period January 1961 to July 1962. The second covers the period to January 1963. These are valuable documents to provide information to people in the field who need to know what the Department is doing in this total management improvement area. We need to get information to the public about the Department's accomplishments in reducing management costs. A lot of work is being done to improve our procedures, programs, travel management, accounting, and auditing. We need to capture these efforts in terms of providing information so that you, as responsible individuals in your community, can be fully informed on developments in the Department.

ASCS REORGANIZATION

A major reorganization of the Agricultural Stabilization and Conservation Service in November 1962, has resulted in the elimination of three major commodity offices. A new high speed computer was installed in January which can do the work that was being done in four commodity offices.

INTERNATIONAL INFLUENCE

In January 1963, the position of Assistant Secretary for International Affairs was established. This is indicative of the changes in activities of the Department and the ever-widening influence of the Department of Agriculture in world affairs.

OFFICE OF MANAGEMENT SERVICES

In February 1963, there was another innovation -- the establishment of the Office of Management Services. All budget, accounting, reporting, administrative services, and information activities in some 17 individual agencies were consolidated in one office. This was another major move in providing better management services to agencies on a consolidated basis.

A CONCEPT OF A TOTAL PERSONNEL PROGRAM

William E. Lavery, Specialist
Personnel Management Branch
Federal Extension Service, U. S. D. A.
April 8, 1963

I appreciate this opportunity to present my concept and thinking in regard to personnel administration in the Cooperative Extension Service. It is pertinent to point out that the main concern here is to take a look at all the responsibilities in the area of personnel within an organization. Therefore, at the beginning of this paper, consideration will be given to personnel as an organizational responsibility. The location of particular responsibilities within the organization will be discussed at the end of the paper. It seems that it is necessary first to determine what the area of personnel involves in total. The division of labor for getting the job done efficiently and effectively can be determined after the total concept has been developed.

I would suggest at this point that if we have problems in managing personnel within Extension today, it may well be the result of our own negligence. For example:

- Have we considered all the requirements for obtaining, developing and maintaining an adequate work force?
- Do we know what it actually takes to be an effective Extension worker today? Are the requirements the same for all types of Extension jobs?
- Have we, as people responsible for fiscal and personnel within our organization, made an attempt to find out from administrators, supervisors, and local people what the critical requirements are in Extension work today?
- Have we been capable of developing personnel techniques which will improve our personnel methods; and have we sold these ideas to administrators and supervisors; or have we gone our merry way without consulting program people?
- Have we gained the confidence of directors, assistant directors, and supervisors so they keep us informed of programs so that we, in turn, can update our techniques to meet the new program demands?

It seems to me that with 80% plus of our financial resources going into personnel, we should constantly be on top of two major concerns:

1. Extension's program emphasis.
2. Personnel techniques which will aid in meeting program needs.

It appears that we need a lot of updating in our personnel programs. I think we can all see that rigid qualification standards, salary plans, and performance appraisal techniques can breed mediocrity in a work force. For example:

- If everyone gets a \$250 salary increase, what does this do to the person who has really put out?
- If an A student starts at the same salary as a C student, what is the incentive?
- Are we sure of the qualifications for employment which we have established? Or do we need this "new breed" we're hearing about? What is the "new breed"?

What can we do to improve these situations? It seems to me we should first take a look at what we're talking about. If we can see the "creature" in total first, then perhaps we can dissect it in some logical manner and put it back together with some operational improvements.

A Concept of a Complete and Coordinated Personnel Program

In developing a concept of a total and coordinated personnel program, it appears desirable to distinguish between functions and methods (methods can also involve tools, processes and techniques.) Therefore, as the concept is developed in this paper, a distinction will be made between functions and methods. What are the functions of personnel administration? One way to answer this often-raised question is to say they are the things we must do to, for, and with people within the organization. Regardless of what methods we use, there are certain things which must be done from a personnel standpoint. It would be possible to carry out these functions without any "formal" procedure or methods, but nevertheless, they must be done. Basically, we could outline the personnel functions of any organization as the following:

- recruit and select people
- place and transfer people
- organize and utilize people.
- develop people
- maintain, compensate, and dismiss people

We could conceivably consider each of the functions above separately, in which case we would end up with ten functions. However, for ease in defining and in order to eliminate detail, it is worthwhile to do some combining. Other terms could be used to explain these functions. However, the basic functions of personnel remain the same.

Over the years, many methods, techniques, tools, and processes have been developed to assist in carrying out these personnel functions. There is nothing sacred about any of these methods and tools. They have merely

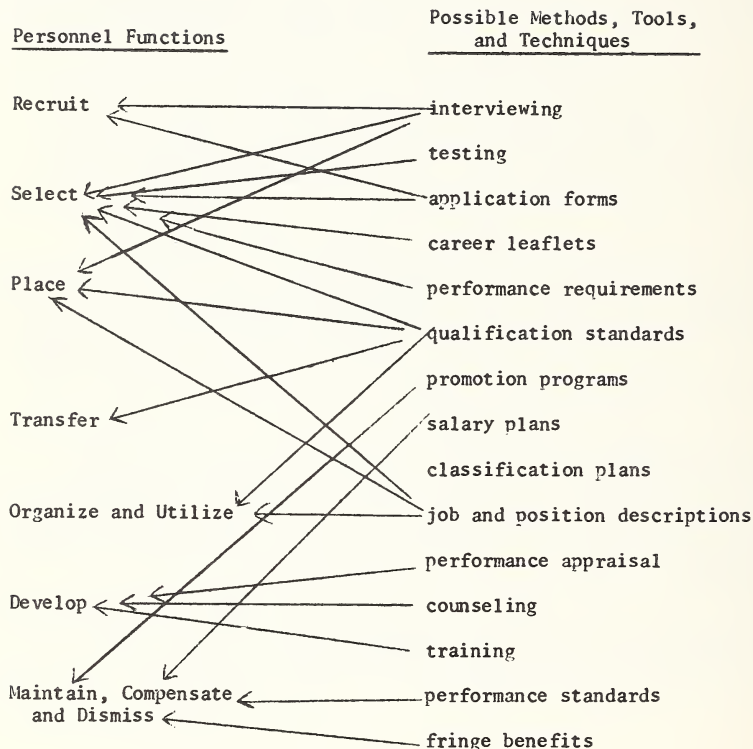
been developed to make us more efficient and effective in getting the "personnel job" done. There is no set number of these methods and new ones are being developed every day. These methods include such basics as: interviewing, testing, application forms, career leaflets, qualification standards, pre-employment checks, promotion programs, salary plans, classification plans, academic rank, tenure, job and position descriptions, performance standards, performance appraisal, employee counseling, training, grievance procedures, personal history data and other personnel records, fringe benefits (leave, retirement system, insurance, hospitalization, etc.), and employee communications (house organs, newsletters, handbooks, etc.).

There are certainly other methods, techniques and/or tools which could be added to this list. The only limiting factor is our own ability to develop and use them. Methods and tools are useful only to the degree that they assist in attracting, organizing, placing, developing, transferring, utilizing, and maintaining people in the work force (the functions of personnel). Thus, it can be seen that methods are not an end in themselves. They are merely means to the ends. The ends, in this case, are the functions.

Many of the methods and tools which have been developed are used to assist in many (at least more than one) of the personnel functions. Which methods are used to assist in particular functions are a matter of personal preference. Thus, for example, we can use job descriptions for assisting in recruitment, selection, placement, transfer, organizing, developing (determining training needs) and compensating (salary adjustments).

Similarly, performance appraisal can be used for transfers, compensation (salary and promotion), development, etc. This phenomenon can be shown graphically as in Chart 1.

Chart 1.



It can be seen that, efficiently carrying out each of the personnel functions is dependent upon a variety and proper combination of methods and techniques. Added to the situation is the fact that the development of many of these methods and techniques is dependent upon other methods. For example, personnel qualification standards should be dictated by performance requirements (skills, abilities, and knowledge needed to do

the job). Similarly, performance requirements should be dictated by the job or position description (duties of the job). This relationship can be shown as follows:

Step 1:	job descriptions	(describe job duties)
Step 2:	performance requirements	(abilities, skills, and knowledge needed to do the duties described)
Step 3:	performance standards	(expected level of performance)
Step 4:	qualifications	(training, experience, etc., needed to obtain the necessary skills, abilities, and knowledge)

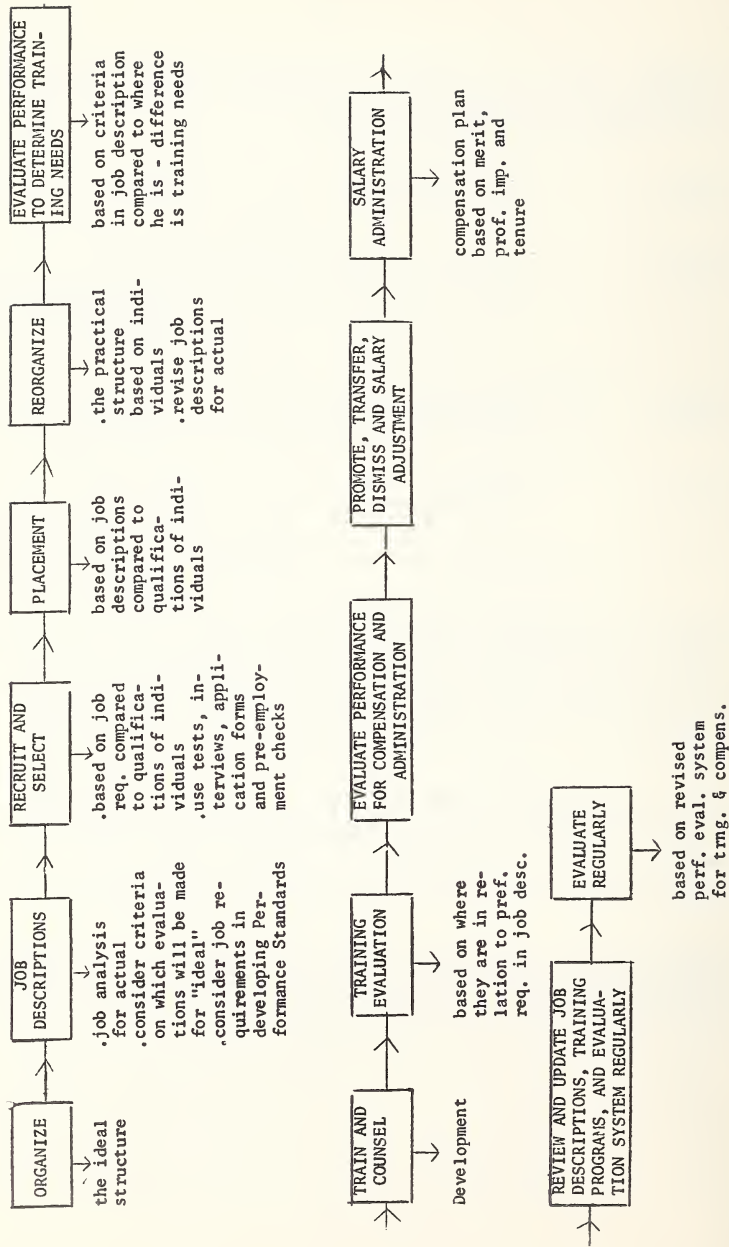
Similarly, performance appraisal criteria should be based on critical criteria spelled out in job descriptions. If appraisals are to be based on "performance on the job," it is necessary for employees and supervisors alike to agree on what the job is. This can be accomplished by using proper techniques in developing job descriptions.

Other examples could be offered to show the interrelationship of the various methods. It seems necessary to consider methods in proper perspective; one depends upon others in most cases. In addition, methods for themselves are useless. Again, they are only useful if they assist in more effectively carrying out the functions.

Another way of looking at an organization's personnel responsibilities in chronological order is shown in Chart 2. This chart indicates that each function is a continuous process, but certain methods and functions should be considered before others.

Chart 2.

Model for Personnel Management



With this concept of personnel administration, it becomes evident that the basic personnel functions are responsibilities throughout the organization. The carrying out of the personnel functions is not confined to specific units within the organization. For example, actual selection, utilization, and development of people are responsibilities of supervisors throughout the organization. It should be added at this point, however, that the development of methods, and training supervisors to use these methods to assist in carrying out the functions is a responsibility of people with competencies in these areas. Therefore, supervisors should not be expected to be competent in developing the methods to use, but they ultimately must be capable of applying the methods in getting the personnel functions done.

The distinction to make, I believe, is that supervisors throughout the organization must carry out the personnel functions. They should rely, however, on people with the required competencies to develop methods and train them in carrying out their personnel responsibilities.

REPORTING TO TOP MANAGEMENT*

Henry G. Herrell
Deputy Administrator, Management
Agricultural Marketing Service, USDA
April 9, 1963

If we analyze the subject "Reporting to Top Management," we ask ourselves "Who's reporting?" "To whom are we reporting?" "What are we reporting?" The answers to these questions would provide three of the four elements of communications--a sender, a receiver, and a message. (The fourth, of course, relates to the means or method of communication; that is, whether we use words, smoke signals, gestures, or what have you.)

On the surface this seems very simple. All of us, of course, are communications "experts" these days; so we say, "Well, we know what this is all about. We, therefore, can relax." Yet every one of us knows it isn't as simple as it sounds.

We hear a lot today about empathy--putting one's feet in the other fellow's shoes. For this discussion let's mentally slip our feet into our superior's slippers and ask ourselves some penetrating questions such as "What do we in our top positions of management need to know about what is going on in our organizations?" "Am I providing the kind of atmosphere or climate which enhances the reporting process?" "What about the time and the frequency of reporting; that is, are we getting the needed information in a timely fashion?" There are other questions we could also ask. Perhaps some of our answers would be about like these:

*Note: Mr. Herrell spoke extemporaneously. He used visuals extensively to illustrate various points. He also employed a personal-involvement technique at the beginning intended to add to the learning situation. This paper was prepared from notes from a tape--omitting much of the discussion related to the visuals.

1. We Must Keep Currently Aware of What Is Going on.

Let's assume that we make an assignment to develop a report which is due in the office above us (that is, in the organizational hierarchy) ten days hence. Development of the report involves several steps and a number of people. If we wait until the day it is due to do a little checking on it, we may have some unpleasant surprises. Two or three of the people who were supposed to make contributions to the report may have been out ill. The material may not have been put together and edited as we wanted it to be. Pictures or other material may not have been provided. The multilith machine used for reproduction of copies may have broken down.

Top managers need, therefore, to know what is going on currently in order to lend support and assistance to getting the job done on time. After all, we can delegate authority, but we can't delegate responsibility. Now, let me make clear that we, as managers, don't want to be bothered with all kinds of questions and detailed feedbacks that are not important to getting the job done. We do need to know, in a timely fashion, that desired progress is being made.

2. We Must Know the Adequacy of Our Plans as the Work Moves Forward.

Let me illustrate: Let's assume that we have set up a series of fifteen meetings to disseminate certain information. For the purpose of this illustration let's consider only one simple aspect of our plan--the size of the hall or conference facility. We anticipate a given response from the public, and plan for a facility large enough to accommodate 100 people. Since we can only guess as to the public's interest in the subject, we are greatly surprised to learn that at the first two meetings some 300 or more people have attended. Because of limited seating capacity, many have had to stand or go home. There is a terrific reaction to this kind of poor planning.

Now, if after the first few meeting, we get some feedback quickly (a report, if you will) that this subject is going over really big, we can pass the word on to those who are arranging subsequent meetings that they should get larger facilities.

Top managers are going to learn of defects in planning one way or the other. If they learn of them from within the organization and quickly enough, they can stay on top of their jobs--rather than have their jobs stay on top of them.

3. We Must Know the Major Problems Our Employees Are Encountering.

Let me give you an illustration. When the Poultry Products Inspection Act was passed a few years ago and the Federal Government became responsible for inspecting for wholesomeness all poultry moving interstate, new regulations were required. Some of these regulations had to be developed very quickly, and needed to be changed to make their application simpler and more effective.

There were two ways in which top management could find out about these needed changes. One way was to get feedback directly from the Veterinarians in Charge of Inspection in the poultry processing plants affected by the law who are schooled in inspection work. Some of this feedback might have been in the form of "gripes" by Plant Management, such as "This regulation is impossible; we can't meet this thing." "It takes too much capital investment to change the physical layout of the plant to meet these regulations." "It would take two years to get it done." "I'll either have to go out of business or sell intra-State only."

The other way of getting the information (had the Veterinarians in Charge not been keenly alert to the prompt need of top management for this kind of information) was to let the industry bring it in from the "top;" that is, through their Congressmen or their trade organizations. This would not have been very desirable. Top management needs to know, from the group, the problems that are being encountered at the time they are encountered.

4. We Must Know What Alternatives We Have for Getting Our Jobs Done.

No one has a monopoly on ideas. We, as top managers, need all we can get. We like to think that our group is a "live-wire organization." But how can we keep "out in front" if people below us don't offer ideas, suggestions, and new approaches? We must know the alternatives that have an impact on staffing needs, on costs, on public relations, and on effectiveness and timeliness in accomplishing our missions.

Much depends on the atmosphere in which our people work. We, as managers, are largely responsible as to whether this atmosphere is conducive to developing alternative approaches. We must be like "funnels" for the flow of ideas from our people. We must create a permissive atmosphere -- which is probably one of the fastest and most effective ways of getting good reporting. This is where we are all ears, and where employees are encouraged to come in with new approaches or new alternatives. If we have this kind of atmosphere, we'll have a live-wire outfit.

You and I know from personal experience that when we work for people who appreciate our ideas; we are more likely to report these ideas and other vital information. Some of them may be foul-ball ideas; but we have such rapport with our superiors that they will tell us so -- and we don't mind, because they have listened with interest.

5. We Must Know Some Specifics as to "Who" Is Doing "What" Exceedingly Well or Contrariwise.

This is vital information for recognition, for promotion, for reassignment, for training, for discipline, etc. It's not a matter of being "pestered" with details by the people who work for us; it's knowing significant things in a timely fashion that is important.

6. We Must Know That Our Unit Is Thinking Ahead, Not Just Working with Yesterday's Solutions to Last Year's Problems.

The manager is concerned with anticipating tomorrow's solutions to next year's problems so that they can be prevented. If we, as top managers, have the right atmosphere, the right interest, and the right vitality, our people will be thinking ahead. They'll be anticipating problems and taking steps to prevent their occurrence.

We usually think of reporting as something that takes place after the fact, but effective reporting deals largely with things that haven't happened. Let's remember that the future is our most important time. The past is gone -- we can do little or nothing about it. The present is so fleeting that it is hardly measurable. But the future is vital, and we must be thinking ahead.

7. We Must Know That Employees Have A "We," Not "They" Approach.

In an organization where the employees have a "we" approach, they take the credit (or the blame) for what the organization is doing or trying to do. We may hear them say, "Well, we tried this and we admit it failed, but at least we are trying." Now, the "backstairs" boys who have a "they" approach are likely to say, "Oh, those topside guys, they don't know which end is up. I wish they would counsel with us sometimes. Then they would find out what the true story is. They always go off on some wild rampage."

"Well , " you say, "how do we get this 'we' concept?" You probably have had as much experience in this area as I have had, or more. I do know this: we can draw circles to take others in, or we can draw circles that keep them out. We, as top managers, have a definite responsibility for the kind of attitudes which prevail in our organization.

This matter of "we" versus "they" depends a lot on the mutual confidence of the employee and his supervisor and their mutual respect--the application and actual practice of so-called "participative management" where the supervisor calls his employees in and talks with them about problems. This establishes a two-way communication set-up. The employees toss in their ideas and their approaches and alternatives are considered. When the decision is made, it could be that it doesn't involve the approach suggested by one individual or another, but the important thing is that everybody has had a part in it. This becomes a we deal.

William James, a founder of modern psychology, has said: "The deepest principle of human nature is the craving to be appreciated." When we take the "we" approach, we are recognizing and appreciating the worth of employees as individuals. This recognition and appreciation does not mean formal certificates to hang on the wall, though they may help. Just an occasional pat on the back helps.

Oliver Wendell Holmes was very frank in his expression concerning the value of a compliment. It is said that if someone paid Holmes a compliment, he would likely cup his ear with his hand and say, "I'm sorry, but you know I'm a little deaf. Would you repeat that, please?" Compliments help much in developing a "we" approach.

8. We Must Know That Our Employees Have Room To Grow.

If we parcel out small, hour-to-hour or day-to-day assignments, and check the performance over our employees' shoulders, there is no room for growth; and those who want to grow will move elsewhere, leaving us with a stagnant organization filled with mediocre people. We may be greatly concerned about getting the job done today, but our employees don't consider it this way. They consider today pretty important in their preparation for tomorrow. We must be flexible in our delegations; assume the inherent risks; consider mistakes as human weaknesses, not as catastrophes; and allow room to grow.

9. We Must Be Mindful of Confidences.

Our employees must see us as those whom they can trust. And there are times when this is very difficult. In a book I reviewed recently a controller was reported as knowing his best bookkeeper very well--not socially, but officially. She came in one afternoon after closing hours and said, "Mr. Brown, I want you to know something. I have had a rough time financially at home recently. I needed some cash urgently for only a short time, so I have been juggling the books a little bit. I'm \$450 short at the moment, but I am going to make it good." Now Mr. Brown has good reporting; two people know of this swindle--the bookkeeper, who did the swindling and he, himself! How much should he report to the top? Perhaps Mr. Brown should have said right then to Miss Smith, "I appreciate your telling me about this, Nellie. How do you think I would best tell the president of the corporation and others who must know about it?"

"How" is a great word to use in discussing troublesome problems with employees. Don't ask for "yes" or "no" answers. The "how" -- or "what do you think" type of question--will help them to think, and thus help solve their own problems in the reporting process.

Benjamin Fairless, former chairman of the United States Steel Corporation, was quite adept at the questioning technique when people came in with problems. He said that when a vice-president or the head of one of the operating companies needed to see him for help, he generally countered with questions. The first thing he knew, the person had developed a means for solving his own problem.

10. Top Managers Must Frequently Test Their Effectiveness as Communicators.

A study was made recently of a number of industrial concerns to learn how important, need-to-know information filters down from the top of the organization to people at the bottom. It was found that at a board meeting where (it was assumed) there was a hundred percent understanding of certain specific, need-to-know information, the first level immediately below the board (department heads and so forth) understood only sixty-seven percent after the "usual" efforts to convey this information of vital concern to them had been made. The second level (supervisors, section heads) understood only fifty-six percent; the third level (foremen or unit supervisors), forty percent; and the workers--the employees out on the front line who really needed to know -- had only twenty percent understanding of the information which they should have.

Perhaps this is what inspired the author of today's comic card which says, "Don't ask me why; it's just our policy."

Now, if we look at ourselves in this role of top managers, we have a tremendous communications function. Information concerning our work is feeding down to us from the top -- from the Legislative, the Executive, and the Judicial branches of Government; from other Federal and State agencies; and so on. Information flows up to us from our employees (if we have an adequate reporting system) which affects, or should affect, decision-making up the line. This puts us right in the middle literally; and unless we serve as effective communication "centers," we can't expect to be effective managers.

So far, it would appear that we are concerned only in a two-way communication exercise. Actually, our expertness in reporting must extend from us in three directions because our colleagues, on the same "organizational level," are also frequently concerned. If we flow information on the lateral to them and they, in turn, to us, it will be mutually helpful.

Let's think again of our topic, "Reporting to Top Management." What does this discussion of effectiveness as communicators have to do with it? As we identify what others -- above us, below us, and on the same level with us, organizationally speaking, need to know -- we become more aware of what our part is in the reporting to us. We have to be very "mature" in today's world or learn to live with ulcers. There are so many informal reporting channels today -- contacts in car pools, at coffee breaks and lunches, corridor meetings, and others. We could assume, for example, that everybody above us or below us in the organization who reports something of importance directly (rather than through us) is working on us rather than with us.

In conclusion, it has been said that there are three kinds of people in the world -- those who bring about change, those who see the change taking place, and those who don't know that anything is going on. We have to make a choice as to the group in which we are to be. If we are to be in the group that brings about change, we have to keep working with our superiors, with our employees, and with our colleagues; and get them to work with us. We must have a good flow of information all the way -- up and down and across the line. As managers of tomorrow, we must see what the situation is today, what it should be, and act to bring about needed change.

An old maxim, which modern social scientists say is still very effective in playing our complex, 20th century managerial roles, is to apply the Golden Rule -- treat the other man as you would like to be treated if you were in his shoes. This begins with empathy, "the imaginative projection of one's own consciousness into another being" -- or, trying to put our feet in the other fellow's shoes. This is simple; it's direct and it's effective.

But this is where we began this discussion. Remember, we were going to slip our feet into our superior's slippers; then try to figure out what we, as top managers, should know. Playing this role, we have outlined and illustrated some of the needs of top managers and the important role they, themselves, play in the performance of the function of reporting. We have discussed some of the methods through which those needs can be met. Now, as we step back into our own shoes, perhaps we will be more effective in our reporting to top management.

DEVELOPMENT OF EXTENSION HANDBOOKS AND MANUALS

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The Approach: Processes and Procedures

In developing administrative handbooks, there are two approaches I would like to discuss — certainly there are others. The first is to develop a handbook, emphasizing the subject content processes, especially as to how it will affect the personnel personally. The second approach is to develop a handbook built around procedures relating to the processes. This second approach greatly facilitates administrative work at the State level. Its weak point is that it is not sufficient to enable county personnel to understand how a specific program will affect them on their particular work assignments. In this case, increased individual employee counseling and the use of booklets and brochures are needed. Regardless of which approach is used, we recommend that all administrative information be put into one handbook for county personnel.

Development Planning

One person on the staff should be appointed to be responsible for the development of the handbook. You may not want to let this person be responsible for contacting personnel responsible for subject work areas, or you may want to use a committee to advise him. In any case, delegate the responsibility to one person, not a committee. There is a saying that a committee can agree only on those matters that do not adversely affect any one of its members.

A plan of action should be developed and outlined.

Committees, if used, can be used in the following capacities:

- . Advisory
- . Writing
- . Review
- . Interest Representatives
- . New Ideas

Mechanics of Operation

Format: There is a need to develop a written plan of the format. The purpose is for those who will write chapters or amendments to understand the format and follow it.

Distribution: One person should be responsible. The responsibility for keeping individual handbooks should be assigned to individual personnel positions and not to offices. Distribution should be made through regular office mail systems.

Amendment: Loose-leaf binders facilitate amendment. The need for amendment can best be determined by those responsible for subject or function covered. Amendments should be written by those responsible for the subject or function covered but should be coordinated through one person. Each amendment should have a cover letter summarizing changes and a page control system to tell what pages to replace.

Record Keeping: One person needs to keep records of who has handbooks and what has gone into them up to date. The record keeping system should be simple and reliable.

Review: A periodic review is needed to insure that handbooks are kept up to date. This can be accomplished through the use of a check list.

PHYSICAL WORKING CONDITIONS - LIGHTING,
COLOR, SOUND AND UP-GRADING EQUIPMENT

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Providing physical working facilities to insure the maximum work output of employees is the basic objective of space management. The investment the Government has in personnel, when compared to the cost of space, makes it obvious that a tiny increase in work production by an employee will cover the cost of any conceivable physical improvement of the space. For example, the average salary of the county agent is \$8,386 annually, and the recommended size of the county agent's office is 200 square feet. The maximum price that we pay commercially for best quality space is \$4.00 per square foot annually, or \$800 a year which is less than 10% of the salary of the individual involved.

Upgrading space is usually a one-time investment that, when amortized over the reasonable life, makes the cost of improvements materially less than the rental figure quoted above. In this discussion of upgrading, I will attempt to relate the work involved and cost to a typical 200 square foot county agent's office.

Many county agents are in first-class space. I have seen a few really top quality offices, but, unfortunately, the majority are not so fortunate. I will confine my discussion to what to do for the usual 200 square foot office in the basement of the county courthouse -- a room approximately 10 feet by 20 feet, with 9 foot ceilings, provided with one small window, illuminated by two incandescent glass-globe-enclosed fixtures, with dingy plastered walls and ceiling, and cracked terrazzo floor.

First, consider light and color. The illumination in the room described above provides approximately 8 foot candles of light at the work surface which is insufficient for the amount of reading we require in the average office, but it has the advantage of being at such low level that we are not troubled by glare. When the level of illumination is increased to 50 or 100 foot candles at desk height as is recommended by most authorities, it is much easier to see the typewritten page, but glare, resulting from contrast between dark work surfaces and surroundings and white paper, and possibly reflection from glass desk tops or other reflecting surfaces, may actually cause more eye trouble than was caused by the original low level illumination. Therefore, when illumination is increased, it is necessary to reduce contrasts by providing light color walls, floors, furnishings and particularly work surfaces, and to eliminate sources of reflection like glass desk tops.

Illumination improvements for our county agent's office described above can most economically be provided by substituting two 4-foot louvered fluorescent fixtures at an installed cost of about \$30 each for the existing incandescent fixtures. This will about treble the amount of illumination at the work surface and will require no increase in service wiring or electrical capacity. This, however, although a big improvement, is below the level generally recommended. A better solution is to replace the two incandescent fixtures by eight 2-tube, 4-foot fluorescent fixtures arranged in two continuous strips the length of the room. The cost will be about \$20 per fixture and the light will again be trebled. This will provide approximately 75 foot candle illumination. It may, however, require additional wiring to the panel box which would increase the cost of this installation to approximately \$200.

To eliminate contrast and improve the general working environment, the next step should be repainting the room. Walls should be light pastel colors, with a reflectance of approximately 60%. The finish should be flat (not glossy). The ceiling should be flat white which would give a reflectance of 80%. Trim should be a light semi-gloss alkyd enamel to harmonize with the walls. The total cost should be about \$75 for one coat.

Next in importance probably is floor covering. This, too, should be light colored and should have a reflectance of approximately 30%. Carpets are excellent, and many carpet manufacturers have statistical information to support their claim that in the long run they are the cheapest floor covering. However, carpets have come to be considered "plush" furnishings, and for most offices adequate results can be obtained from vinyl asbestos tile. This in light colors costs approximately 2 1/2 times as much as the cheapest dark asphalt tile, but the installation costs are the same and the cleaning and wearing qualities are such that the vinyl tile is definitely a better investment. The cost of a light colored, D-grade, vinyl asbestos floor for our typical county agent's office, installed, would be approximately \$100.

Next, to help control glare from outside sunlight, the windows should be covered. Draperies are excellent, add color to an office, and have some acoustical properties; however, they, like carpets, have a "plush" connotation. Satisfactory results can be obtained from venetian blinds which would cost only about \$10 installed.

Next in consideration in upgrading space should be noise control. Noise is an unwanted sound. It can be generated in the room or it can be generated from the outside. For noises generated in the room, acoustical materials which can absorb the sound provide the best control method. Carpets and draperies, as mentioned before, are excellent for this purpose, but in their absence quite adequate control can be obtained

from non-combustible acoustical tile applied to the ceiling. Such tiling, 5/8" thick, absorbs up to 65% of the sound energy which reaches it. This is usually adequate in a normal office. The disturbance of sound transmission from the outside is a highly technical problem, but not one likely to bother us in our hypothetical county agent's office location in the county courthouse building where the walls, floors and partitions are quite substantial. If we can keep the windows shut, this will normally eliminate objectionable outside noises. The cost of an acoustical ceiling for a typical county agent's office is \$200.

The next typical item of upgrading usually is air conditioning. Heat and ventilation are important, but in our hypothetical county agent's office heat is seldom a real problem, and by air conditioning we can normally control ventilation difficulties. True, year round air conditioning requires a central system and provides for adequate introduction of fresh air, but this is an expensive installation and normally can only be done if the entire building is air conditioned. To upgrade an individual office in a building, we normally have to resort to a window air conditioning unit. These vary materially in price. A one-ton unit which will operate 110 volts and can plug into any convenient outlet will cost approximately \$180. The consumption of electricity is fairly high, however, and if room circuits are already too heavily loaded, additional current will be required. If this is true, in the long run it will be more economical to utilize a 220 volt unit which, with adequate electrical service, would cost approximately \$220 installed.

The above gives a brief outline of the most common space upgrading practices and costs. To upgrade the space itself and not the equipment in the room is seldom satisfactory. Furniture, and particularly desk and table tops, should be light colored (30% reflectance) to minimize contrasts. If it is possible to buy new furniture -- fine! If not, the General Services Administration stocks refinished furniture that has been completely repainted and desks and tables covered with new light colored linoleum at approximately one-half the price of new steel furniture. To outfit a typical county agent's office, we would need one desk, one 60" table, one swivel chair, six side chairs, one bookcase, and one file cabinet. In new equipment this would cost approximately \$310. The same items in refinished furniture would be \$156.

The following is a summary of the cost of this upgrading:

	<u>Initial Cost</u>	<u>Life</u>	<u>Annual Cost</u>
<u>Light and Color</u>			
Illumination	\$200	10	\$20
Paint	60*	3	20
Floor Covering	100	10	10

*Estimate for painting entire room \$75. Reduced to \$60 since acoustical tile to be used on ceiling.

	<u>Initial Cost.</u>	<u>Life</u>	<u>Annual Cost</u>
Venetian Blinds	\$ 10	5	\$ 2
<u>Sound Control</u>			
Acoustic Ceiling	200	10	20
<u>Heat, Ventilation & Air</u>			
<u>Conditioning</u>			
Window Air Conditioning	<u>220</u>	10	<u>22</u>
Space Upgrading	790		94
New Furnishings	<u>310</u>	10	<u>31</u>
Total Upgrading Cost	1,100		125

This is considered first class in every respect, including new furniture for the county agent's office, and when amortized over a reasonable life (not to exceed 10 years) will give a total cost of \$125 per year or approximately 1 1/2% of the annual salary.

Is this worthwhile? In other words, what can we expect through improved work output as a result of this upgrading? In 1945-1946, the General Services Administration ran a series of comprehensive tests involving an IBM punch card operation of the Internal Revenue Service where the work output could be accurately measured. The work output of this same group of employees in the same room was recorded under conditions similar to those described for the county agent's office before upgrading. The room was then illuminated, painted and upgraded as described above for our hypothetical county agent's office, and although the income tax forms the following year were much more complicated, there was a measurable increase in work from the employees of 5.5%. So much for light and color.

In 1957 GSA made another comprehensive study on air conditioning involving identical operations in identical space. The work was for the Federal Bureau of Investigation in searching fingerprint files where the work output could be accurately measured. The space and equipment were identical and the only difference was that one group was provided air conditioning and the other was not. After an entire summer the work output showed that the employees in air conditioned space produced 9 1/2% more work, with many side benefits of employee turnover, sick leave, etc.

There have been no tests measuring the improvement to be expected from noise control, but it is obvious that eliminating distracting noise will provide some additional increased work output. However, on the basis of the results of the tests indicated above, it has been demonstrated that we could expect a 15% increase in work output for an investment of only 1.5% of the county agent's annual salary.

PRE-RETIREMENT COUNSELING PROGRAMS

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April 10, 1963

The whole area of interest in retirement counseling of employees is not a new thing, but it has come into its own in recent years. As you know, even the President has called two or three conferences on aging throughout the country, and many universities and institutions are studying the question: What makes an older person and, when you are older, what changes occur? There's still a long way to go, but for those of us who are beginning to feel our years, and noticing that the young people are younger all the time, it's gratifying to know that a lot of the old concepts have been pretty well thrown out.

They used to say that you couldn't learn anything new after forty, that your learning time was increased, you couldn't adapt and adjust, senility began to come in pretty fast, and so on. When we found an outstanding person in public life up in the seventies and eighties - well, he was supposed to be an exception. But the more people in the older age groups are studied, the more it is found that they are not a minority group; that they have pretty much the same drives, ambitions, and interests that everybody else has.

In this country, over the last decade or so, the emphasis has been on youth. The business world tries to sell to everybody our insecurities, among other things, and in public life we start hiring Presidents and Attorney Generals in their thirties or forties. It is the tendency for many people to feel that aging is a terrible thing. But the number of people past sixty, sixty-five, and seventy is growing all the time, and it is gratifying to find that these people are still in full command of their faculties and still have a lot to contribute to society.

Those of us who are working in organizations, for instance, with mandatory retirement at age seventy, have to decide for ourselves when to take the step, and have to help people who are working with us and for us. This is a pretty personal thing. Probably no two people in this room have the same plans or will retire at the same time. No one will go to another job or another part of the country quite like the man next to him. So a lot of people have said, "It's strictly none of management's business. You let the fellow know when his time is up, and you figure what his annuity will be, at his request, and that is all you should do." Then, at the opposite pole, there is a group both in industry and Government which feels that big brother, the organization, should go a great deal further than this. There are those who feel that we should even try to work with our young employees, especially in the financial area, which

seems to be the greatest concern to people approaching retirement. This is something that should be done when the fellow or girl first comes to work. Not only should the money be taken out of their checks for their annuity, but they should start a savings program and start developing outside interests. Possibly twenty or thirty years before retirement, they should begin to plan for some second profession.

So you see that there are two extremes - one a rather paternal extreme that says the agency should take a vital, life-long interest; another that says this is strictly an individual's business. Unfortunately, most of us in personnel administration look at the bad side, the negative side of retirement, because we are called in by management when something goes wrong. For instance, a person is afraid of retirement, or premature retirement from some disability; or a person ceases to function at his job and his performance becomes a problem. So, after the horse is out of the gate we try to lock it by figuring what to do for that individual.

In Agriculture, we're starting to take a more positive approach. This spring, we had a concentrated group of employees and resource speakers present a series of half a dozen sessions on the various aspects of aging. Five or six hundred people, planning to retire within the next five or ten years, attended. We find that a lot of people reaching retirement age haven't thought of such things as legal problems about wills, insurance and financial problems, and problems that may result from poor health.

A lot of people in this age group are interested in jobs they might seek, where they should live (with the new tendency to herd people in a kind of communal aging center in Florida or Arizona) and so on. But everybody is a little nebulous about it. They look at it passively. They are concerned about the cost. This home or center down in Florida will take care of all their worries from there on out. So an attempt was made in the meetings, with the use of checklists, to direct people's thinking toward things they should be thinking about in regard to retirement as the years go by. I suppose the same list might apply to employees in any age group. I think this is the same approach as that used by folks in Extension, who feel their primary job is educating people. That is to say, rather than any fixed program, it is a matter of alerting people, and I think each of you depends on how many people are concentrated in an area, whether it can be handled as we did it here in the Department with a public gathering, with speakers, or have small discussion groups. Possibly in some of your more isolated county areas, it will have to be done entirely by the written word. Along that line, by next fall we hope to have a jacket that will contain a suggested list of inserts that you can order from headquarters, not only on the retirement system but about social security benefits and other retirement topics. Several Government

agencies have little pamphlets, and the tax people are coming up with a little booklet. Though it requires a lot of reading, many insurance agencies have material on the whole subject that is quite helpful, and you will be able to design your own jackets for appropriate groups.

Now, as far as timing goes, some people will think, "Well, if I give John, who is 50, one of these he'll think we're trying to use indirect pressure, and that it's time he retires." I think if your boss sets the pace and lets it be known that this system is for all employees, the fellow who gets one of these will not feel that it's a personal thing. This is the sort of thing we worried about when we started the meetings. "Will the people who come have a feeling that they are going to be counted and pointed to - and will it be a discriminatory thing?" We found, however, that as long as the original memo goes out for all interested employees, the onus is taken away.

One area that we didn't get into, which I think would be very helpful, is making use of retired people in our program. Some of them have found retirement to be a delightful experience. Some have looked forward to it for years. But others have found it to be a very discouraging thing, and I think you could use your retired people in this area. They could talk to the pre-retirement people in little sessions, or write of their own experiences. These testimonials could be passed around and could be very helpful, coming from people who have had the experience. We hope to do something along this line next fall - possibly have a panel or retirees to answer questions.

We hope the written material I mentioned will be available by fall, at least the order list. I think the most important thing is the approach. Without any communication on retirement, the mandatory age of 70 can creep up on people rather rapidly. There have been jokes and records about the fellow with the thirty-year watch. People make a little ceremony, and then suddenly the person so honored finds himself with time on his hands with no direction - no focus - no goal. This can be very difficult. I think it is part of the personnel supervisor's responsibility to know the differences in people. One person may have planned his personal affairs throughout his career and know exactly what he is going to do. He has talked freely about this move, knows what community he'll live in, and even has new job interests. He has it all planned. But the thing a supervisor should be able to do is spot the employees who need help. There may be another employee who has had family, health, or financial problems through the years, or who is a slave to his work and has no other interests, or is so confined in his work interests that adapting to another job would be difficult. This sort of person should be counseled.

When we run a blanket plan, we do help a few people, but I think it is much better to spend personalized time and attention with 5 or 10 percent of the people. In personnel it has always been interesting to me

that if I'm in a new area or walk into a new office, I am asked what my name is, and when I reply, the questioner remarks, "I didn't know they had a doctor in the Department. Who do you work for?" I name the Director of Personnel. They don't even know him, and may be only vaguely aware that Secretary Freeman is up there! But they're healthy, interesting people in their own programs and projects, plan their lives well, and know where they're going. But it's the 2 percent of the people who know us all by our first names that are personnel problems. I think those of you in line and project positions often think of personnel a little bit this way too. But if line people can identify those people who haven't made plans or are so married to their jobs that we can pretty well predict they are going to be problems around the time of retirement and get them to personnel, I think we can do a much better job.

Again, the attitudes on retirement vary. There's one agency in Agriculture that has an unwritten policy for everybody at age 62 to check out. The Administrator of that agency sets the example. In fact, if he stays much over 62, he is reminded that he will ruin the whole system. Pressure is put on these people. They get a letter about the time they are 60, saying in effect: "If you expect to stay around any longer, can you give us a good reason?" This puts a guy on the spot, and he realizes that if he doesn't make the move toward retirement he will probably start a series of transfers all over the country, and life can be made very uncomfortable.

There are other agencies where a large part of the working force is made up of people very close to mandatory retirement. I can think of one installation where there was a labor shortage when a laboratory was opened, and several people well into their 60's were hired. Under the law a person can work 15 years, so it really became a problem. People came to work teetering on canes, and in wheelchairs, but they didn't have to retire because they hadn't worked their 15 years.

You've all known, from your own families and acquaintances, that one man or woman in the 70's can be as full of vigor and vitality, and produce as well as a youngster of 20, plus having the judgment, wisdom, and maturity of age, while the next person of the same age has reached senility. We in medicine can't do much about the situation other than to observe and try to correct those conditions that lead to early aging. Things are better than they used to be because of better diets, exercise, and early medical care. It should be emphasized in your organizations that people 40 and over, and at least by age 50 and over, should see their doctors regularly. There's a tendency in many people as they approach middle age to feel rather proud of their past health. They don't want to visit a doctor because this would be admitting that they are getting old or that they are afraid. They're afraid that if they go, whether they have symptoms or not, something will be found that will affect their work. I think you people can

set excellent examples, not only by getting periodic examinations yourselves, but by passing the word along that it's expected of all employees. Many of the heartaches at retirement could be avoided if employees would see their doctors regularly. I see people who have damaged their health by staying on the job too long - who, in retrospect, see that they should have retired a few years earlier.

Another thing which we should emphasize to older people is that reaction time slows down in the 60's and ability to work rapidly under pressure is reduced. Care should be taken in the placement of people in pre-retirement years. For example, the fellow who has had to run a high pressure action program should be placed in a staff position, or in a position where he can set his own pace. Suppose a busy director of a State service has a little heart problem, or his blood pressure is up a little and he can't do much traveling. When he begins to bend with the pressure of a lot of meetings and deadlines, I think you do both the agency and the individual a favor by treating this as a placement problem. Placement is as important near the end of his career as it was at the beginning.

We give a lot of attention to recruiting and early training. We talk about career programs and developing employees, but there is a tendency on the other hand to think: "Well, what can be done about it?" If people in management hold back with a "hands off" attitude, it leaves the individual in the position of not really knowing what the policy is. We should attempt to give all possible information and help to people in this age group and impress upon them that aging and retirement are natural and that "everybody's doing it." In most communities help is available. The Civil Service Commission in its regional concept almost always has a resource person who will talk to a group and answer questions. In most communities you will find that the same is true of Social Security. And you can usually get a lawyer who will take time from his work to discuss wills, estates, and so on, with people in this age group.

We have found the people here to be very interested in investments, although they don't know much about such matters. They don't realize or understand the different mutual funds available. They do want, in the years after their families are gone and the mortgages are paid off, to invest in the stock market. They want their money to bring in a little more return than just interest at the bank.

In the area of part-time jobs, I believe that many people would retire if they didn't picture their annuity as their only income. They don't realize that almost any job can bring minimum social security with a minimum number of quarters in the 60's. They don't realize that a part-time job in the community can supplement their income. Some don't understand the tax structure of their retirement, and I think they can be helped a great deal. Some feel that it's "all or

nothing at all" and that they're either working or sitting in rocking chairs somewhere collecting what, to them, seems a very small annuity check. A lot of them haven't planned ahead for a reduced income. They've heard of the fellow who retired and went broke. In medicine, we encounter people who are afraid of surgery and girls who are afraid of having babies because they have talked to the wrong people, just as the people have who are afraid of retirement. That is why I think it's a good idea to have successful retirees talk to employees in the pre-retirement group.

Now we come to the few who don't seem to realize their limitations or that they are beginning to slip. You've given them literature and a sort of positive push, but their work is deteriorating and you're perplexed as to how to solve the problem. I have found, in dealing with disability retirement, that the Commission is very liberal with people who have worked for 20, 25, or 30 years and have some health problem that interferes with their job. Disability retirement does not mean that a person cannot do anything. It's just tailored to the specific job, and in my experience it has been very rare for a disability retirement to be disapproved for anyone past 50. You may have employees who are not quite eligible for full retirement and are not completely disabled, but are unable to cope with the morning traffic and a full eight-hour day. You may be able to help them with a disability retirement and if they understand that work on a part-time basis is permissible, this may be acceptable to them. Remember, their disability retirement is tax free until they reach normal retirement age. Many employees, recognizing this, will take advantage of it. This solves their problems as well as the problems of the organization.

There are some cases where an agency has to take action. We have had several cases where a "fitness for duty" examination was necessary. It's often best to have these examinations in a hospital setting, since many people in this age group do not have any one specific illness, but a combination of symptoms that makes them unable to function on the job. It is best to order a full physical, plus a psychiatric examination. Many people in the older age group have small strokes that do not paralyze a limb or affect speech, but are just enough to affect memory or sociability. They begin to get a little bit irritable and hard to get along with. Many of these people are not functioning well at work, but need the added push or guidance of the examination and the doctor's advice to get them to retire. Since there are many approaches to this situation, I think you are going to have to use an individual approach.

It will be a little different in State offices where there are a lot of people. You will probably have from 12 to 20 people who are 50 years of age or over. If you expose them to some of the areas we suggest, you can get some of them to take an inventory of themselves. I think this is like everything we do in Personnel - in safety and health - it should be done over and over. It's not a one-shot deal. I wouldn't suggest putting a lot of energy and effort into building a fancy program. The way life goes, the person doing a job may be pulled away next year to do something else, or the money may have to be used for another purpose. Think of it as a yearly sort

of immunization injection, periodically reminding employees of the plans they should be making as they go from middle life to their senior years.

There is a tendency for all of us to put off anything we don't like to do and, in America, where work and life are almost synonymous, there are many people who really can't visualize their existence if they should stop working. Have it generally known in your group and in your organization that retirement is a positive part of the career plan - that everybody is doing it, or going to have to do it. Stress the employee's responsibility to start thinking about this. Many people in their 50's and 60's dread the future years, and this affects their present productiveness. If they know that their organization is behind them; a group effort; a normal thing; that there are many resources everywhere for the aged population, I think it will help to make their last 10 or 15 years much more productive.

As I have said, I am just a meophyte in this area, but I've watched different groups. One group decided to have pre-retirement discussions for any age group - a sort of training course with certificates, and so on. It was a disappointment, because the only people who attended were the goof-offs in their 20's and 30's, just using an excuse to get out of the office. The older people didn't show up.

Another group started a rather intensive program of gradual retirement, put several people on it, and got a lot of fanfare. The concept was that an employee would work just three days a week - Monday, Wednesday, and Friday, instead of getting up early five days a week and getting into the traffic. Or he would come in for half a day, or work a week and then take a week off, or work six months and have a longer vacation, and so on. I believe that only one person in the organization took advantage of the offer. Yet it was a beautiful program. It was well thought out and the mechanics were there. So it seems that a fancy program is not as important as the individual attitude. The attitude of not divorcing retirement from employment in the latter years can be fostered by supervisors and personnel people in special programs.

You know we are being told now that we're not supposed to have racial discrimination and the girls are making a big fuss, saying that they can't be discriminated against in Federal employment. Well, let's not discriminate against the older group either. Let's help them to realize that this is a natural evolution of their career, and periodically stimulate those who do not appear to be interested.

One problem which we encounter over and over is that of the supervisor who realizes that he has a responsibility but doesn't quite know what to do - doesn't feel that he has enough documentation when the people in personnel keep saying, "Well, you've got to document it." The supervisor doesn't want to get involved in paper work, and besides he finds the subject embarrassing. But the attitude should be engendered that this is a regular line responsibility; that talking to employees about future retirement should be as natural as asking when they want to use their annual leave. The result would be that people would think more positively about retirement instead of thinking of it as a fearful, unspeakable thing.





